

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

CONTRARIAN CAPITAL MANAGEMENT,
L.L.C., et al.,

Plaintiffs,

v.

BOLIVARIAN REPUBLIC OF VENEZUELA,

Defendant.

Nos. 21 Misc. 18, 22 Misc. 131 &
22 Misc. 263 (LPS)

CRYSTALLEX INTERNATIONAL CORP.,

Plaintiff,

v.

No. 17 Misc. 151 (LPS)

BOLIVARIAN REPUBLIC OF VENEZUELA,

Defendant.

**CONTRARIAN CAPITAL MANAGEMENT, L.L.C., ET AL.'S OPENING BRIEF
REGARDING ADDITIONAL JUDGMENTS AND SERVICE OF
WRITS OF ATTACHMENT**

Dated: May 24, 2023

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Pursuant to the Court’s May 10, 2023 scheduling order, D.I. 9 at 3,¹ Contrarian Capital Management, L.L.C., Contrarian Capital Fund I, L.P., Contrarian Dome du Gouter Master Fund, LP, Contrarian Capital Senior Secured, L.P., Contrarian EM II, LP, Contrarian Emerging Markets, L.P., Boston Patriot Summer St LLC, Polonius Holdings, LLC, Emma 1 Master Fund, L.P., Contrarian Funds, L.L.C., and E1 SP, a Segregated Account of EMAP SPC (together, “Contrarian”) respectfully submit this brief regarding (1) which judgments should be regarded as Additional Judgments” under the Sale Procedures Order entered in the *Crystallex* Action and (2) whether the Court should issue and serve full unconditional orders of attachment to any creditors.²

ARGUMENT

Contrarian holds three judgments against the Bolivarian Republic of Venezuela (the “Republic”) totaling more than \$393 million. Contrarian has registered those judgments in this Court and has filed a motion for a conditional attachment of the PDVH shares, which is pending. *See* D.I. 4. If the Court grants Contrarian a conditional attachment, Contrarian respectfully requests that the Court name Contrarian as an Additional Judgment Creditor and issue and serve full, unconditional writs of attachment on the PDVH shares for Contrarian’s benefit.³ Contrarian

¹ Because Contrarian’s three cases have corresponding docket entries, this brief refers to one docket entry for all cases.

² Capitalized words not otherwise defined have the meaning ascribed to them in the Sixth Revised Proposed Order (A) Establishing Sale and Bidding Procedures, (B) Approving Special Master’s Report and Recommendation Regarding Proposed Sale Procedures Order, (C) Affirming Retention of Evercore as Investment Banker by Special Master and (D) Regarding Related Matters, D.I. 481 (the “Sale Procedures Order”), in *Crystallex International Corporation v. Bolivarian Republic of Venezuela*, No. 17 Misc. 151 (the “*Crystallex* Action”).

³ Contrarian’s motion for a conditional attachment is based on the argument that collateral estoppel bars PDVSA from relitigating whether it is an alter ego of the Republic. *See* D.I. 4. If the Court denies that motion and requires Contrarian to prove the Republic’s alter-ego status on a case-by-case basis, Contrarian respectfully requests that it be given an opportunity to file a new motion seeking an attachment on that basis before the Court decides whether Contrarian is an Additional

joins in and adopts the arguments of Red Tree Investments, LLC as to the issues of which judgments should be Additional Judgments under the Sale Procedures Order and whether the writs should be issued and served.

Dated: May 24, 2023

Respectfully submitted,

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Judgment Creditor. In the alternative, if the Court grants the motion for a conditional attachment in *Tidewater Investment Srl et al.*, No. 19 Misc. 79, Contrarian requests that it receive the benefit of that ruling as well.